

**STATE FIRE AND TORNADO FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2003**

	October-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Ended 6/30/2003 Net	Ended 6/30/2003 Net
<b>LARGE CAP DOMESTIC EQUITY</b>												
<b>Structured Growth</b>												
Los Angeles Capital	459,336	2.4%	2.3%	5.18%	436,535	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
<b>Total Structured Growth</b>	<b>459,336</b>	<b>2.4%</b>	<b>2.3%</b>	<b>5.18%</b>	<b>436,535</b>	<b>2.3%</b>	<b>2.3%</b>	<b>4.99%</b>	<b>10.42%</b>	<b>-1.88%</b>	<b>-21.24%</b>	<b>-6.07%</b>
Russell 1000 Growth				5.62%				3.92%	9.75%	2.94%	-21.54%	-5.03%
<b>Structured Value</b>												
<b>LSV</b>	<b>447,854</b>	<b>2.3%</b>	<b>2.3%</b>	<b>7.62%</b>	<b>416,677</b>	<b>2.2%</b>	<b>2.3%</b>	<b>3.75%</b>	<b>11.66%</b>	<b>-2.25%</b>	<b>8.84%</b>	<b>3.73%</b>
Russell 1000 Value				6.12%				2.06%	8.31%	-1.02%	-0.19%	1.05%
<b>S&amp;P 500 Index</b>												
<b>State Street</b>	<b>2,031,340</b>	<b>10.6%</b>	<b>10.5%</b>	<b>5.65%</b>	<b>1,922,673</b>	<b>10.2%</b>	<b>10.5%</b>	<b>2.64%</b>	<b>8.43%</b>	<b>0.23%</b>	<b>-11.28%</b>	<b>-1.69%</b>
S&P 500				5.66%				2.64%	8.45%	0.25%	-11.20%	-1.62%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>2,938,529</b>	<b>15.3%</b>	<b>15.0%</b>	<b>5.87%</b>	<b>2,775,884</b>	<b>14.7%</b>	<b>15.0%</b>	<b>3.15%</b>	<b>9.20%</b>	<b>-0.48%</b>	<b>-9.33%</b>	<b>-1.90%</b>
S&P 500				5.66%				2.64%	8.45%	0.25%	-11.20%	-1.62%
<b>SMALL CAP DOMESTIC EQUITY</b>												
<b>Manager-of-Managers</b>												
<b>SEI</b>	<b>1,029,178</b>	<b>5.3%</b>	<b>5.0%</b>	<b>8.81%</b>	<b>945,617</b>	<b>5.0%</b>	<b>5.0%</b>	<b>9.48%</b>	<b>19.13%</b>	<b>0.09%</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000 + 200bp				8.56%				9.60%	18.99%	0.36%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>1,029,178</b>	<b>5.3%</b>	<b>5.0%</b>	<b>8.81%</b>	<b>945,617</b>	<b>5.0%</b>	<b>5.0%</b>	<b>9.48%</b>	<b>19.13%</b>	<b>0.09%</b>	<b>-3.49%</b>	<b>1.64%</b>
Russell 2000				8.40%				9.07%	18.23%	-1.63%	-3.30%	0.97%
<b>CONVERTIBLES</b>												
<b>TCW</b>	<b>1,925,151</b>	<b>10.0%</b>	<b>10.0%</b>	<b>4.02%</b>	<b>1,851,333</b>	<b>9.8%</b>	<b>10.0%</b>	<b>1.85%</b>	<b>5.94%</b>	<b>10.23%</b>	<b>-9.51%</b>	<b>3.90%</b>
First Boston Convertible Index				3.27%				2.67%	6.03%	15.46%	-3.77%	5.29%
<b>INTERNATIONAL EQUITY</b>												
<b>Large Cap - Active</b>												
<b>Capital Guardian</b>	<b>1,612,365</b>	<b>8.4%</b>	<b>8.0%</b>	<b>6.67%</b>	<b>1,508,615</b>	<b>8.0%</b>	<b>8.0%</b>	<b>8.14%</b>	<b>15.35%</b>	<b>-10.31%</b>	<b>-15.85%</b>	<b>0.02%</b>
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-15.51%	-5.33%
<b>Small Cap - Value</b>												
<b>Lazard</b>	<b>215,485</b>	<b>1.1%</b>	<b>1.0%</b>	<b>5.20%</b>	<b>204,763</b>	<b>1.1%</b>	<b>1.0%</b>	<b>9.92%</b>	<b>15.63%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				6.90%				15.95%	23.96%	N/A	N/A	N/A
<b>Small Cap - Growth</b>												
<b>Vanguard</b>	<b>209,032</b>	<b>1.1%</b>	<b>1.0%</b>	<b>5.22%</b>	<b>198,660</b>	<b>1.1%</b>	<b>1.0%</b>	<b>14.95%</b>	<b>20.96%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
SSB BROAD MARKET INDEX < \$2BN				6.90%				15.95%	23.96%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>2,036,882</b>	<b>10.6%</b>	<b>10.0%</b>	<b>6.36%</b>	<b>1,912,038</b>	<b>10.1%</b>	<b>10.0%</b>	<b>8.97%</b>	<b>15.90%</b>	<b>-9.20%</b>	<b>-15.51%</b>	<b>0.27%</b>
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-15.51%	-5.33%
<b>DOMESTIC FIXED INCOME</b>												
<b>Core Bond</b>												
<b>Western Asset</b>	<b>4,847,116</b>	<b>25.2%</b>	<b>25.0%</b>	<b>-0.42%</b>	<b>4,862,313</b>	<b>25.8%</b>	<b>25.0%</b>	<b>-0.16%</b>	<b>-0.58%</b>	<b>12.77%</b>	<b>11.23%</b>	<b>8.12%</b>
Lehman Aggregate				-0.93%				-0.14%	-1.07%	10.39%	10.07%	7.54%
<b>Index</b>												
<b>Bank of ND</b>	<b>2,628,772</b>	<b>13.7%</b>	<b>15.0%</b>	<b>-1.17%</b>	<b>2,659,877</b>	<b>14.1%</b>	<b>15.0%</b>	<b>-0.46%</b>	<b>-1.63%</b>	<b>13.26%</b>	<b>10.87%</b>	<b>7.78%</b>
Lehman Gov/Credit				-1.27%				-0.50%	-1.76%	13.14%	10.82%	7.83%
<b>BBB Average Quality</b>												
<b>Strong</b>	<b>2,020,688</b>	<b>10.5%</b>	<b>10.0%</b>	<b>-0.91%</b>	<b>2,038,313</b>	<b>10.8%</b>	<b>10.0%</b>	<b>0.02%</b>	<b>-0.89%</b>	<b>17.91%</b>	<b>N/A</b>	<b>N/A</b>
Lehman US Credit BAA				-0.91%				0.27%	-0.63%	18.33%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>9,496,576</b>	<b>49.3%</b>	<b>50.0%</b>	<b>-0.73%</b>	<b>9,560,503</b>	<b>50.6%</b>	<b>50.0%</b>	<b>-0.21%</b>	<b>-0.21%</b>	<b>13.18%</b>	<b>10.80%</b>	<b>7.81%</b>
Lehman Gov/Credit				-1.27%				-0.50%	-1.76%	13.14%	10.82%	7.83%
<b>CASH EQUIVALENTS</b>												
<b>Bank of ND</b>	<b>1,822,396</b>	<b>9.5%</b>	<b>10.0%</b>	<b>0.10%</b>	<b>1,834,125</b>	<b>9.7%</b>	<b>10.0%</b>	<b>0.30%</b>	<b>0.40%</b>	<b>1.57%</b>	<b>3.26%</b>	<b>4.15%</b>
90 Day T-Bill				0.08%				0.25%	0.32%	1.52%	3.33%	4.08%
<b>TOTAL FIRE &amp; TORNADO FUND</b>	<b>19,248,713</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.98%</b>	<b>18,879,500</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.07%</b>	<b>4.09%</b>	<b>7.25%</b>	<b>1.67%</b>	<b>4.94%</b>
POLICY TARGET BENCHMARK				1.43%				1.46%	2.91%	7.25%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.